

Unit price: US\$80.08

Data as at 31st January 2008



February 2008

Siberian Investment Co.

Similar to global markets generally, January was a difficult month for the Fund, dropping 9.1% on the back of continuing investor concerns about the likelihood and potential depth of a US recession in 2008. However, the Fund outperformed the Russian stock market index by 7.6%. While most sectors were hit quite badly, materials performed relatively well with two stocks, Silvinit and Evraz, posting the highest returns, up +13.6% and +7.7% respectively. As in the past few months, Silvinit, Russia's largest potash producer, has been an outstanding performer, profiting from record outputs and doubling prices of potassium-based chemicals on the back of strong potash demand and constrained supply. Evraz is Russia's largest producer of long steel that enjoyed strong growth due to rising prices and accelerating demand for long steel from the construction industry.

Regarding changes to the Fund, we continued concentrating our portfolio on key domestic areas, adding CTC media and increasing our positions in Evraz and MTS, while selling various holdings in second and third tier stocks with limited earnings visibility and access to management, such as SakhalInvest, Krasnoyarsk Hydro-Power and Mikhaylovskiy GOK.

Despite the recent slowdown, we remain confident that the Russian market offers substantial long-term investment opportunity due to its robust macroeconomic fundamentals as well as continued strong investment and consumer demand. However, in the environment of slowing global growth and deteriorating market sentiment, we will continue to pursue a defensive strategy of achieving long-term capital growth through a selection of stocks that offer a combination of attractive valuations and stress-tested earnings growth. With this view in mind, we intend to increase exposure to domestic growth stocks including consumer, financials and real estate.

Sector Breakdown

Sector	% NAV
Oil & Gas	30.8
Telecommunications	12.9
Utilities	12.1
Banking	7.6
Metals	7.3
Engineering	6.7
Chemicals	2.2
Funds	0.0
Others	13.3
Cash	7.1
Total	100.0%

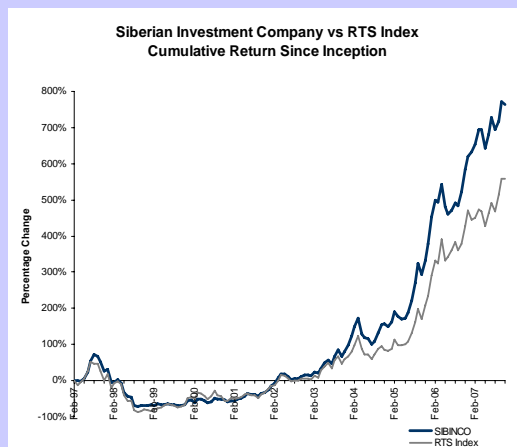
Top 10 Holdings

Company	% NAV
Ufaneftekhim Rub	10.4
Gazprom ADR	5.9
Dagestan Regional Generation	5.2
Sberbank Rossii Pref	5.1
UFA Oil Refinery	4.5
Avtovaz	4.4
GAZ	4.4
Nizhnekamskneftekhim	4.2
Evraz Group SA	3.8
Mobile Telesystems	3.8
Total	51.7%

Siberian Investment Co. Performance

	LG Fund	RTS Index	Micropal Russian Universe
Last month	-9.1	-16.7	-10.4
Last 3 months	-8.1	-14.2	-7.8
Last 6 months	-3.2	-4.4	2.7
Year to date	-9.1	-16.7	-10.1
Last 1 year	9.1	3.5	13.0
Last 2 years	45.1	44.9	53.4
Last 3 years	206.1	199.3	196.1
Last 4 years	258.9	212.1	225.6
Last 5 years	608.7	448.4	549.0
Last 6 years	844.3	572.2	628.3
Last 7 years	1736.7	998.3	1202.8
Last 8 years	1652.3	948.7	1183.7
Last 9 years	2290.5	3399.7	2861.0
Last 10 years	733.3	617.1	582.9
Since inception	700.8	477.9	497.1

Since inception (February 1997) +700.8%



Micropal Ranking in Russia closed & open-ended funds

	Last month	Last 3 months	Last 6 months	Year to date	Last 1 year	Last 2 years	Last 3 years	Last 4 years	Last 5 years	Last 6 years	Last 7 years	Last 8 years	Last 9 years	Last 10 years	Since Inception
Sibinco	7	17	26	7	22	23	12	5	9	4	5	5	12	4	3
No. of funds	30	30	30	30	30	30	29	22	21	19	19	18	14	9	7

Financial data in US\$ as at 31st January 2008

Siberian Investment Co.

INVESTMENT OBJECTIVE

The principal investment objective of the Fund is to provide Shareholders with long-term capital appreciation through investment primarily in a diversified portfolio of traded securities of Russian companies whose principal business activities are in the regions of the Russian Federation located east of the Ural Mountains.

LLOYD GEORGE MANAGEMENT

Lloyd George Management is an independent company predominantly owned by its senior management team. We have additional shareholders in the United States, Germany and Switzerland. Established by Robert Lloyd George in 1991, Lloyd George Management provides investment management in Asian and emerging markets equities for both private clients and institutional investors. The company comprises a team of highly experienced fund managers each offering a specialised area of knowledge, the senior management team having over 20 years of investment experience.



ROBERT LLOYD GEORGE - CO-FUND MANAGER

Robert Lloyd George, Chairman and CEO, was educated at Oxford University and began his investment career in London in 1974. After working in the Paris Stock Exchange and in banking in Brazil, he joined the Fiduciary Trust Company of New York to work on international investments for the UN Pension Fund. Robert was Managing Director of Indosuez Asia Investment Services in Hong Kong from 1984, before founding Lloyd George Management in 1991. He has published three books including 'The East West Pendulum'.

General information

The Siberian Investment Co. is an open-ended fund, registered in Ireland.

This is neither an offer to sell nor a solicitation of any offer to buy shares in any fund managed by us. Any offering is made only pursuant to the relevant information memorandum, together with the current financial statements of the relevant fund, if available, and the relevant subscription application, all of which must be read to their entirety. No offer to purchase shares will be made or accepted prior to receipt by the offeree of these documents and the completion of all appropriate documentation. The shares have not and will not be registered for sale, and there will be no public offering of the shares. No offer to sell (or solicitation of an offer to buy) will be made in any jurisdiction in which such offer or solicitation would be unlawful. Past performance of a fund is no guarantee as to its performance in the future.

Inception date:	February 1997
Open ended fund:	Since December 2003
Dealing day:	Every Tuesday
Minimum subscription:	€250,000
Redemptions:	Monthly
Investment manager fee:	1.5%
Annual performance fee:	10% with 15% hurdle rate
Fund Size as at 31/01/2008:	US\$24.60 million

For further information, please contact:

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